

DEED OF TRUST TO SECURE ASSUMPTION

Terms

Date: June 17, 2002

Grantor: Dr. David Whitt and Dr. Paul Whitt

Grantor's Mailing Address:

7 Forest Brook Lane, Texarkana, TX
Bowie County 75503

Trustee: Thomas E. Brymer

Trustee's Mailing Address:

1101 Texas Avenue
Brazos County
College Station, Texas 77840

Lender: City of College Station

Lender's Mailing Address:

1101 Texas Avenue
College Station, Texas 77840
Brazos County, Texas

Note and Deed of Trust Assumed:

Date: February 12, 1996

Original principal amount: Sixty Thousand and No/100 Dollars (\$60,000.00)

Borrower: Dennis A. Pampell and Gene E. Pampell

Lender: City of College Station

Recording information: Volume 2539, page 218 of the Official Records of
Brazos County, Texas.

Property (including any improvements):

Being all that certain lot, tract or parcel of land lying and being situated in Brazos County, Texas, and being Lot Fifteen (15), Block Two (2), Lots Six (6), Seven (7), Eight (8), Nine (9) and Ten (10), Block Four (4), Tauber Addition, an addition to the City of College Station, Brazos County, Texas, according to the plat recorded in Volume 133, page 182 of the Deed Records of Brazos County, Texas.

Prior Lien(s): None.

Other Exceptions to Conveyance and Warranty:

Lender has conveyed the Property to Grantor, who as part of the consideration promised to pay the Note Assumed and to be bound by the Deed of Trust Assumed.

For value received and to secure Grantor's assumption, Grantor conveys the Property to Trustee in trust. Grantor warrants and agrees to defend the title to the Property. If Grantor performs all the covenants of the Note and Deed of Trust Assumed and if Lender has not filed a notice of advancement, a release of the Deed of Trust Assumed will release this deed of trust to secure assumption and Lender's vendor's lien.

A. Lender's Rights

1. Lender may appoint in writing a substitute trustee, succeeding to all rights and responsibilities of Trustee.
2. If Grantor fails to perform any of Grantor's obligations under the Note Assumed or Deed of Trust Assumed, Lender may perform those obligations, advance funds required, and then be reimbursed by Grantor on demand for any amounts so advanced, including attorney's fees, plus interest on those amounts from the dates of payment at the highest legal rate. The amount to be reimbursed will be secured by this deed of trust to secure assumption.
3. Lender may file a sworn notice of such advancement in the office of the county clerk in which the Property is located. The notice will detail the dates, amounts, and purposes of the amounts advanced and the legal description of the Property.
4. If Grantor fails on demand to reimburse Lender for the amounts advanced and such failure continues after Lender gives Grantor notice of the failure and the time within which it must be cured, to the extent required by law or by written agreement, Lender may:
 - a. direct Trustee to foreclose this lien, in which case Lender or Lender's agent will cause notice of the foreclosure sale to be given as provided by the Texas Property Code as then in effect; and
 - b. purchase the Property at any foreclosure sale by offering the highest bid and then have the bid credited to the amount owed to Lender.

TRUSTEE'S DUTIES:

If requested by Beneficiary to foreclose this lien, Trustee shall:

1. either personally or by agent give notice of the foreclosure sale as required by the Texas Property Code as then amended;

2. sell and convey all or part of the Property to the highest bidder for cash with a general warranty binding Grantor, subject to prior liens and to other exceptions to conveyance and warranty; and
3. from the proceeds of the sale, pay, in this order:
 - a. expenses of foreclosure, including a commission to Trustee of 5% of the bid;
 - b. to Lender, the full amount of principal, interest, attorney's fees, other costs of collection or foreclosure, and other charges due and unpaid;
 - c. any amounts required by law to be paid before payment to Grantor; and
 - d. to Grantor, any balance.

B. Trustee's Rights and Duties

If directed by Lender to foreclose this lien, Trustee will:

1. either personally or by agent give notice of the foreclosure sale as required by this deed of trust to secure assumption and the Texas Property Code as then in effect;
2. sell and convey all or part of the Property "AS IS" to the highest bidder for cash with a general warranty binding Grantor, subject to the Prior Lien and to the Other Exceptions to Conveyance and Warranty and without representation or warranty, express or implied, by Trustee;
3. from the proceeds of the sale, pay, in this order:
 - a. expenses of foreclosure, including a reasonable commission to Trustee;
 - b. to Lender, the full amount advanced, attorney's fees, and other charges due and unpaid;
 - c. any amounts required by law to be paid before payment to Grantor; and
 - d. to Grantor, any balance; and
4. be indemnified by Lender against all costs, expenses, and liabilities incurred by Trustee for acting in the execution or enforcement of the trust created by this deed of trust to secure assumption, which includes all court and other costs, including attorney's fees, incurred by Trustee in defense of any action or proceeding taken against Trustee in such capacity.

C. General Provisions

1. If any of the Property is sold under this Deed of Trust to Secure Assumption, Grantor must immediately surrender possession to the purchaser. If Grantor fails to do so, Grantor will become a tenant at sufferance of the purchaser, subject to an action for forcible detainer.
2. Recitals in any Trustee's deed conveying the Property will be presumed to be true.
3. Proceeding under this Deed of Trust to Secure Assumption, filing suit for foreclosure, or pursuing any other remedy will not constitute an election of remedies.
4. This lien will be superior to liens later created even if Lender has made no advancements when later liens are created.
5. If any portion of the advancements cannot be lawfully secured by this Deed of Trust to Secure Assumption, payments will be applied first to discharge that portion.
6. No sale under this Deed of Trust to Secure Assumption will extinguish the lien created by this deed of trust to secure assumption.
7. Grantor assigns to Lender absolutely, not only as collateral, all present and future rent and other income and receipts from the Property. Grantor warrants the validity and enforceability of the assignment. Grantor may as Lender's licensee collect rent and other income and receipts as long as Grantor is not in default under the Note, this Deed of Trust to Secure Assumption, or the Deed of Trust Assumed. Grantor will apply all rent and other income and receipts to payment of the Note Assumed and performance of the Deed of Trust Assumed, but if the rent and other income and receipts exceed the amount due under the Note and Deed of Trust Assumed, Grantor may retain the excess. If Grantor defaults in payment of the Note Assumed or performance of this Deed of Trust to Secure Assumption or of the Deed of Trust Assumed, Lender may terminate Grantor's license to collect rent and other income and then as Grantor's agent may rent the Property if it is vacant and collect all rent and other income and receipts. Lender neither has nor assumes any obligations as lessor or landlord with respect to any occupant of the Property. Lender may exercise Lender's rights and remedies under this paragraph without taking possession of the Property. Lender will apply all rent and other income and receipts collected under this paragraph first to expenses incurred in exercising Lender's rights and remedies and then to Grantor's obligations under the Note, this Deed of Trust to Secure Assumption, and the Deed of Trust Assumed in the order determined by Lender. Lender is not required to act under this paragraph, and acting under this paragraph does not waive any of Lender's other rights or remedies. If Grantor becomes a voluntary or involuntary debtor in bankruptcy, Lender's filing a proof of claim in bankruptcy will be deemed equivalent to the appointment of a receiver under Texas law.
8. Interest on the debt secured by this Deed of Trust to Secure Assumption will not exceed the maximum amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under law. Any interest in excess of that maximum amount will be credited on the principal of the debt or, if that has been paid, refunded. On any acceleration or required or

permitted prepayment, any such excess will be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refunded. This provision overrides any conflicting provisions in this and all other instruments concerning the debt.

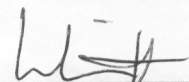
9. Any action taken under this Deed of Trust to Secure Assumption will not extinguish the rights of Lender to proceed against Grantor under the indemnity contained in the deed by which Borrower assumed the Note and Deed of Trust Assumed.

10. When the context requires, singular nouns and pronouns include the plural.

11. This Deed of Trust to Secure Assumption binds, benefits, and may be enforced by the successors in interest of all parties.



DR. DAVID WHITT



DR. PAUL WHITT

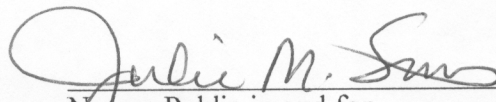
STATE OF TEXAS

COUNTY OF BRAZOS

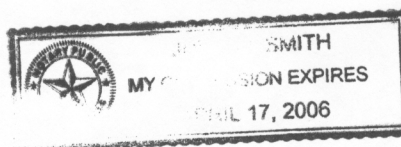
§
§
§

ACKNOWLEDGMENT

This instrument was acknowledged before me on the 17 day of June, 2002, by DR. DAVID WHITT.



Notary Public in and for
the State of Texas



STATE OF TEXAS

COUNTY OF BRAZOS

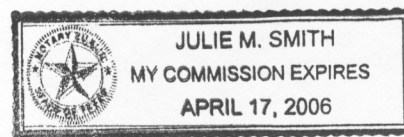
§
§
§

ACKNOWLEDGMENT

This instrument was acknowledged before me on the 17 day of June, 2002, by DR. PAUL WHITT.

Julie M. Smith

Notary Public in and for
the State of Texas



PREPARED IN THE OFFICE OF:

City of College Station
Legal Department
P.O. Box 9960
College Station, Texas 77842-9960

RETURN ORIGINAL DOCUMENT TO:

City of College Station
Legal Department
P.O. Box 9960
College Station, Texas 77842-9960